

COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF THE BENNY JONES)
WATER SUPPLY COMPANY, INC., TO) CASE NO. 94-454
ABANDON THE SYSTEM)

O R D E R

On November 23, 1994, the Benny Jones Water Supply Company, Inc. ("Benny Jones") filed an application with the Public Service Commission ("Commission") for the purpose of abandoning its water distribution system. KRS 278.020(4) states:

No person shall acquire or transfer ownership of, or control, or the right to control, any utility under the jurisdiction of the commission by sale of assets, transfer of stock, or otherwise, or abandon the same, without prior approval by the commission. The commission shall grant its approval if the person acquiring the utility has the financial, technical, and managerial abilities to provide reasonable service.

The Commission, having reviewed the evidence of record and being otherwise sufficiently advised, finds that:

1. Benny Jones provides water service to approximately 46 residential customers and one privately-owned boat dock in the Monticello area.

2. The customers of Benny Jones were notified by letter dated February 18, 1993, that when the Monticello Utility Commission ("Monticello") completed its expansion project to their area, Benny Jones intended to shut down. The customers were advised at that time to make the necessary arrangements with Monticello.

3. By letter dated November 22, 1994, Benny Jones informed its customers that it had filed an application with the Commission

to abandon the system, and that Monticello indicated its project would soon be completed.

4. Benny Jones has no written agreement with Monticello, but agreed to cease providing water once Monticello made water available to the area.

5. Except for a meter at the boat dock, which is closed for the season, Monticello has completed placing the lines and meters to the area. The boat dock's meter is expected to be in place by February 15, 1995.

6. Monticello has the financial, technical, and managerial abilities to provide reasonable service. It is a municipal utility serving approximately 4,200 customers, and has recently doubled its plant capacity. It is staffed by qualified personnel with expertise in all areas of utility operations. The customers of Benny Jones will have access to the same or better level of service.

7. Benny Jones' application to abandon its system meets the requirements of KRS 278.020(4) and should be approved.

IT IS THEREFORE ORDERED that the application of the Benny Jones Water Supply Company, Inc. to abandon the system is hereby approved effective from the date of this Order.

Done at Frankfort, Kentucky, this 9th day of February, 1995.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director